

**PROPOSED PRINCIPLES THAT THE
ADMINISTRATION WILL USE TO
IMPLEMENT PROPOSITION 1**

IF PASSED

Principles Proposed For Dedicated Street and Drainage Fund

Proposition 1 would create a dedicated pay-as-you-go fund for improving and maintaining Streets and Drainage, including:

- ❖ Capital Improvements
- ❖ Ongoing Maintenance
- ❖ Compliance with Federal /State Water Quality Laws in our drainage systems

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Proposition 1 – Funding Sources:

- ❖ Developer Impact Fees – Process defined in State Law which is similar to City Council approval for water/wastewater impact fees
- ❖ 11.8¢ of Ad Valorem Property Tax – Amount currently spent for streets and drainage
- ❖ Remittances from Metro, TxDot and other governmental sources
- ❖ Drainage Fee

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Drainage Fee will be based on “Cost of Service”

- ❖ Key determination will be actual “hard areas” (impervious surfaces) that generate requirements for the drainage conveyance system
- ❖ All property owners will pay full cost of service, no subsidizing
- ❖ Only exemptions will be those required by State Law
- ❖ Undeveloped land will not be charged a drainage fee
- ❖ Calculations will utilize publicly available digitized mapping data

Principles Proposed For Dedicated Street and Drainage Fund

Drainage Fee – Other Considerations

- ❖ Fee to be fixed for at least 10 years and will require 2/3 vote of City Council to increase
- ❖ Property owners will no longer be subject to individual assessments for street improvements
- ❖ Per Proposition 1, the fee will begin July 1, 2011

Principles Proposed For Dedicated Street and Drainage Fund

Drainage Fee – Residential Properties

- ❖ For curb and gutter streets - fee calculated to be \$.032/sq foot/year of total “hard areas” (see example)
- ❖ For open ditch streets – fee calculated to be \$.026/sq ft/year of total “hard areas” (see example)
- ❖ Fee differences reflective of requirements on the drainage conveyance system
- ❖ HCAD defined data can be used as an approximation
 - “Hard Areas” (or impervious surface) defined as “PRI” (example follows)
 - To allow for driveways and other “hard areas” multiply PRI by 1.38

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Residential Property Example

❖ Curb and Gutter Street

- Typical lot size: 5,000 sq ft
- Typical house ground floor/garage/driveway: 1,900 sq. ft.
- Monthly Fee: $(1900 \times .032)/12 = \5.07

❖ Open Ditch Street

- Typical lot size: 5,000 sq ft
- Typical house ground floor/garage/driveway: 1,900 sq ft
- Monthly Fee: $(1900 \times .026)/12 = \4.12

❖ Estimate using HCAD Data

- PRI on HCAD page (typical): 1375 sq ft
- Allowance for all other hard surfaces: 38%
- Monthly fee:
 - Curb and gutter: $(1375 \times 1.38 \times .032)/12 = \5.07
 - Open ditch: $(1375 \times 1.38 \times .026)/12 = \4.12

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Drainage Fee – Commercial/Industrial/Institutional Properties

- ❖ Fee calculated to be \$.032/sq ft x “hard areas”
- ❖ Commercial/Industrial/Institutional properties have ready access to “hard areas” on each property

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Drainage Fee – All Property Types

- ❖ Available “hard area” information includes HCAD, GIS info and publicly available mapping data (Google Earth, etc.)
- ❖ Online verification and correction process will be put in place
- ❖ Transparent appeal process based on actual data for all property types to a neutral body

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Process for Establishing Project Priorities (1)

- ❖ Current 5 year CIP will be used until comprehensive street and drainage needs re-assessment is complete
- ❖ Preparing needs assessment for streets:
 - Based on technical evaluation
 - Will use Pavement Condition Report (PCR)
 - Presented to City Council in July 2011
- ❖ Preparing needs assessment for drainage:
 - Based on technical evaluation
 - Will use Comprehensive Drainage Plan done in 1999
 - Plan being updated by Storm Water Enhanced Evaluation Tool (SWEET) currently under development
 - Presented to City Council in July 2011

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Process for Establishing Project Priorities (2)

- ❖ Oversight committee will advise on priorities and process
 - Will appoint Committee with significant background in community development/infrastructure assessments and other stakeholders
 - Appointees will not be employees of the City
 - Appointees will not be drawn from Contractors, Engineers or firms participating in the street and drainage program

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Community Involvement:

- ❖ City's S/MWDBE program will be fully enforced in this effort
- ❖ Program will also have a "Hire Houston First" focus
- ❖ Mentoring program (similar to Greater Houston Wastewater Program of the early 1990's) will be developed and implemented
- ❖ Internship program in partnership with local colleges and/or organizations will be developed and implemented

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Anticipated Timeline:

- ❖ Proposition 1 to voters on November 2
- ❖ Implementation Ordinance to City Council March 2011
- ❖ Database in place April 2011
- ❖ Website available May 2011